

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7495

Petition of Department of Public Service to review)
the energy efficiency and conservation programs,)
measures, and compensation mechanisms selected)
by the Department to provide fuel efficiency)
services for Vermont heating consumers)

Order entered: 8/26/2009

ORDER APPROVING MEASURES AND COMPENSATION MECHANISMS

On February 26, 2009, the Public Service Board ("Board") issued an Order finding that the fuel efficiency program proposed by the Vermont Department of Public Service ("Department") promotes the public good pursuant to 30 V.S.A. § 235. The February 26 Order required the Department to file additional information regarding the proposed measures and compensation mechanisms.

On June 26, 2009, the Department filed information regarding the proposed measures and compensation mechanisms. No comments were filed in response to the Department's proposal.

Pursuant to Section 235(b), the Board must determine whether the programs, measures, and compensation mechanisms selected by the Department promote the public good. In addition, "[i]f the department thereafter changes the programs, measures, or compensation mechanisms, it shall request review under this section by the board prior to implementing those changes."¹

The Department's proposed measures includes several weatherization measures, such as air sealing, increasing insulation, replacing weather stripping, adding rigid foam to cover thermal bridges, and retiring inefficient heating appliances. The Department also proposes the following compensation mechanisms: (1) achieving an average of 25% btu savings for thermal and related energy consumption, with two-thirds of the total performance incentive available if the goal is

1. 30 V.S.A. § 235(b).

met and additional incentives available if the 25% average savings goal is surpassed; and (2) establishing a target number of units to be completed, with one-third of the total performance incentive available if the goal is met and additional incentives available if the target number is surpassed. The maximum performance incentive is capped.

Upon review, we find that the fuel efficiency measures and the compensation mechanisms proposed by the Department promote the public good.

SO ORDERED.

Dated at Montpelier, Vermont, this 26th day of August, 2009.

<u>s/James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: August 26, 2009

ATTEST: s/Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.